



February 21, 2020

SUMMARY OF ORIGINAL BILL: Authorizes industrial development corporations (IDCs) located in certain counties to promote the development of single-family housing.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014975): Deletes and rewrites all language after the enacting clause such that the only substantive change limits application to only tier 4 counties.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 6-54-118 and § 7-53-102:
 - Local governments may appropriate funds to IDCs for the purpose of economic and community development, industrial development, or both; and
 - IDCs are authorized to finance, acquire, own, lease, or dispose of properties and increase the quantity of housing available by promoting industry, commerce, and housing construction.
- Pursuant to Tenn. Code Ann. § 67-4-2109, the Department of Economic and Community Development (ECD) designates counties as tier 1-4, based on the county's unemployment, per capita income, and poverty levels.
- The proposed language is applicable only to ICDs located in the 30 counties who are designated as Tier 4.

- Authorizing IDCs to promote such development utilizing incentives and funding currently available will not result in any significant fiscal impact to state or local government.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Industrial Development Corporations currently have the power to promote industry and commerce within local governments through development of projects.
- The proposed language is not estimated to increase overall funding and incentives provided to IDCs or the extent of projects undertaken by IDCs. If IDCs opt to promote the creation of single-family housing, such promotion will be done in lieu of initiating other projects authorized by state law; therefore the net impact to jobs and commerce in Tennessee is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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